



## UNITED STATES DEPARTMENT OF EDUCATION

### Federal Student Aid

**TO:** Secretary Rod Paige  
U.S. Secretary of Education

**FROM:** Terri Shaw  
Chief Operating Officer

**RE:** FSA Weekly Report

**DATE:** October 25, 2004

### **THE WEEK AHEAD**

**FSA All Employee Meeting:** On October 28, Terri Shaw will host her third annual All-Employee Meeting for FSA employees from across the country. Regional employees will participate via videoconference.

**Electronic Access Conferences (EAC):** On November 1 - 4, FSA will host approximately 2,000 financial aid professionals in Orlando for the first of FSA's two EACs.

**R2T4, Analyzing Data, and Conflicting Information (RAC):** For the week of October 25 – 29, FSA representatives are conducting RAC Training at Oregon State University, Salt Lake Community College, University of Hawaii, Carnegie Mellon University as well as the Boston Regional Training Facilities.

**Fundamentals of Title IV Training:** From October 25-29, FSA representatives are conducting Fundamentals of Title IV Training at the Kansas City Regional Training Facilities.

**Pacific Islands Financial Aid Association:** From October 26-29, FSA representatives are attending the Pacific Islands Financial Aid Association conference.

**New York Student Financial Aid Association:** From October 26-29, FSA representatives are attending the New York Student Financial Aid Association conference.

**National Association for College Admissions Counselors (NACAC):** From October 27-28, FSA representatives are attending the NACAC conference.

### **FSA IN THE FIELD**

**R2T4, Analyzing Data, and Conflicting Information (RAC):** For the week of October 18 – 22, FSA representatives conducted RAC Training at Arkansas State University, Hennepin Technical College as well as at the Chicago and Puerto Rico Regional Training Facilities.

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**Fundamentals of Title IV Training:** From October 20-22, FSA representatives conducted Fundamentals of Title IV Training at the UCP Learning Center.

**Midwest Association of Student Financial Aid Administrators (MASFAA):** From October 17-19, FSA representatives attended the MASFAA conference.

**Tennessee Association of Student Financial Aid Administrators:** From October 17-19, FSA representatives attended the Tennessee Association of Student Financial Aid Administrators conference.

**Rocky Mountain Association of Financial Aid Administrators:** From October 17-20, FSA representatives attended the Rocky Mountain Association of Financial Aid Administrators conference.

**Kentucky Association of Student Financial Aid Administrators:** From October 19-22, FSA representatives attended the Kentucky Association of Student Financial Aid Administrators conference.

**Washington Association of Financial Aid Administrators (WAFAA):** From October 20-22, FSA representatives attended the WAFAA conference.

**Arizona Association of Student Financial Aid Administrators (AASFAA):** From October 20-22, FSA representatives attended the AASFAA conference.

### **OPERATIONAL METRICS**

**Application Activities through October 18, 2004:** The Central Processing System (CPS) has processed 11.5 million FAFSA applications for the 2004-05 cycle, a 3.1% increase over the 2003-04 cycle.

**Program Disbursements:** Through the week ending October 16, annual Pell Grant disbursements reached \$4.4 billion for the 2004-2005 academic year, a 11% increase over last year. Through the week ending October 16, annual Direct Loan disbursements reached \$4.5 billion for the 2004-2005 academic year, a 6% increase over last year. Through the week ending October 19, annual FFEL disbursements reached \$8.9 billion for the 2004-2005 academic year, a 12% increase over last year. Through September, annual Direct Consolidation Loan disbursements reached \$7.8 billion, a 15% increase over last year.

**Direct Loan (DL) Servicing:** As of September 30, the Direct Loan Portfolio reached 18.1 million loans (a 3.4% increase over last year) with a total value of \$84.8 billion (a 4.8% increase over last year) representing 6.6 million borrowers (a 4.8% increase over last year).

**Direct Loan Delinquency Summary:** The Direct Loan portfolio delinquency rate for August 2004 rose to 12.16% from 11.93% in July. The delinquency rate for August 2003 was 11.80 percent.

**Consolidation Activity through September 30, 2004:** Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled \$4.1 billion, a 23.6% increase over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 3.7 billion, a 6.6% increase over last year. Consolidations from the Direct Loan program into the FFEL program totaled \$8.4 billion, a 9.3% increase over last year.

**Total Default Recoveries:** Through the first month of FY05, total FSA Default Recoveries for FY04 reached \$90.2 million. Total non-consolidation recoveries reached \$83.2 million. Combined Recoveries from our private collection agency efforts have reached \$79.7 million.

**Guarantor Recoveries:** Through the end of August, total Guarantor Default Recoveries for FY04 reached \$3.52 billion, a .2% decrease from this time last year. Combined ED and guarantor recoveries reached \$5.20 billion, a 4% increase over last year. Total non-consolidation recoveries for ED and guarantors combined reached \$3.278 billion, an increase of 11% over last year.

**1-800-4-FED-AID through October 16, 2004:** Year to date, the Federal Student Aid Information Center (FSAIC) has received 6.5 million calls, an 11.4% decrease over last year. Service levels have increased with 99.2% of calls completed, a .2% increase over last year. The average speed to answer decreased by 30% over last year to 5.6 seconds.

**Direct Loan Servicing Call Center Phone Activity through October 15, 2004:** Calendar year to date, the Direct Loan Servicing Centers received 5.0 million calls to the Interactive Voice Response System, a decrease of 4.0% from 2003. Of those calls received, Borrower Services representatives handled 3.5 million calls, a decrease of 5.8% from 2003. The average speed of answer was 5.7 seconds, a decrease of 8.8% from 2003. The resolve rate for the Voice Response System was 29.3%, an increase of 5.0% from 2003. The Abandoned Call Rate was 0.26%, an increase of 7.4% from 2003.

**Students.gov:** In September, students.gov logged 204,671 visitors representing 4.9 million hits, an average of over 6,800 hits each day. As of September 27, almost 16,000 people had subscribed to Students.gov "InfoSource", a subscription service that highlights the features of students.gov.

**Student Aid on the Web:** For the week ending October 9, 2004, *Student Aid on the Web* recorded 235,513 visits, 4,597,298 hits and 475,872 page views.

*Student Aid on the Web's MyFSA*, the feature that allows students and parents to establish their own personal password protected accounts for use as they move through the financial aid life cycle, has recorded 52,000 accounts as of October 9th.

**Information for Financial Aid Professionals (IFAP) Web site Usage:** For the week ending October 9, www.ifap.ed.gov received 57,062 visits representing 1.7 million hits, a decrease of 5% over last year.

**Schools Portal Usage:** For the week ending October 9, [www.fsa4schools.ed.gov](http://www.fsa4schools.ed.gov) received 12,841 visits representing almost 1.0 million hits, an increase of 12% over last year.

**Information Services:** For the week ending October 8, the Customer Service Call Center received 316 inquiries and Web Communications posted 4 items to FSATECH and 7 documents to IFAP.

### **KEY ISSUES**

**Private Collection Agency (PCA) Procurement:** FSA is conducting a procurement to award multiple PCA task orders as part of FSA's enterprise-wide default collection strategy. The total procurement will save millions of dollars over the existing contracts and result in increased recoveries. On Thursday, September 30, FSA announced five awards to small businesses. The remaining unrestricted awards were delayed due to a protest, which has since been withdrawn. The award process resumed and FSA announced the remaining new awards on Friday, October 22.

**E-Gov/eLoans:** The Government Accountability Office (GAO) is conducting an analysis of federal agency funding contributions to the E-Gov initiatives, including eLoans. The eLoans team is coordinating responses with ED's Office of the Secretary and Office of the Chief Information Officer. An entrance conference is scheduled with GAO for October 27.

**E-Gov E-Authentication:** The FSA E-Authentication Team will complete the OMB E-Authentication Risk Assessments by December 15, 2004. FSA's 14 major systems will go through this assessment.

### **ON THE HORIZON**

**Electronic Access Conferences (EAC):** On November 30 – December 3, FSA will host approximately 2,000 financial aid professionals in Las Vegas for the second of FSA's two EACs.

**FSA in the Classroom:** FSA representatives will be conducting the following training sessions in the coming weeks:

November 7	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Durham, NC
November 9	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Lincoln, NE
November 9	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Hartford, CT
November 9	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Oklahoma City, OK
November 9	R2T4, Analyzing Data, and Conflicting Information (RAC) Training

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Pewaukee, WI

November 9            R2T4, Analyzing Data, and Conflicting Information (RAC) Training  
Devils Lake, ND

November 9            R2T4, Analyzing Data, and Conflicting Information (RAC) Training  
Newark, NJ

November 10           R2T4, Analyzing Data, and Conflicting Information (RAC) Training  
Lake Geneva, WI

November 10           R2T4, Analyzing Data, and Conflicting Information (RAC) Training  
Glendale, AZ

November 16           R2T4, Analyzing Data, and Conflicting Information (RAC) Training  
Seattle, WA

December 18           Fundamentals of Title IV for the Australian and New Zealand Universities  
UCP Training Center

**Presentations at Conferences:** FSA representatives will be making presentations at the following state financial aid and higher education conferences in the coming weeks:

October 26-29           Pacific Islands Financial Aid Association

October 26-29           New York Student Financial Aid Association

October 27-28           National Association for College Admissions Counselors (NACAC)

### **CONTACT INFORMATION**

Please contact Chris Greene at 377-4003 with any questions.